



GREENWOOD COMMON COUNCIL JUNE 20, 2005 MINUTES

Mayor Charles Henderson called the meeting to order at 7:00 p.m.

The audience recited the Pledge of Allegiance in unison, after which the Rev. Dane Sinn of the Smith Valley Baptist Church offered the invocation.

PRESENT:	Council members Bruce Armstrong, Ron Bates, Bill Bless, Ron Deer, John Gibson, Keith Hardin, Jessie Reed; Mayor Henderson; Clerk-Treasurer Jeannine Myers; and City Attorney Shawna Koons-Davis.
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Mr. Hardin moved to approve the minutes of the regular session of June 6th. Second was by Mr. Bates. Vote: Ayes (Bless – Abstain).

Ms. Koons-Davis had distributed her litigation report. There were no questions from the Council.

Mr. Bates reported that the Plan Commission met last Monday night and had two items on the agenda.

Mr. Bless noted that the Meet & Confer Committee met last Thursday. A report will be coming at a later date.

RESOLUTION No. 05-09 – A Resolution Authorizing a Temporary Loan for the Fire Fund (\$540,000) From the Cumulative Capital Development (CCD) Fund. Mr. Bless moved to pass Resolution No. 05-09 through first reading. Second by Mr. Deer. Mayor Henderson told the Council that he understood after meeting with the Clerk-Treasurer, President Armstrong and Paige Gregory of H.J. Umbaugh, he learned from Paige that this was not an unusual request and we might have to do it regularly. Mr. Armstrong agreed with that interpretation, for both the Fire and Parks Department. Ms. Myers, in response to Mr. Hardin, said she may be able to get an early draw from the County. This is to be repaid by the end of July, commented the City Attorney. Chief Dhondt agreed that this was what his department had requested and thought this fall the Fire Department might have to request another temporary loan to be repaid by the end of December. He also agreed that H.J. Umbaugh advise their clients that a temporary loan is the way to treat these ancillary funds, which is the same advice that another consultant, Reedy & Peters, had recommended three or four years ago. Chief Dhondt went on to say that as of June 3rd, his department had spent only 38% of the budgeted funds but do not bring in the revenue to match the budgeted funds. In response to Mr. Gibson, Chief Dhondt stated that this is a paper trail for the Department of Local Government Finance and the State Board of Accounts, authorizing the Clerk-Treasurer's office to pay the bills and put the money back after the tax draw. He anticipates that the request this fall would not be as high and next year depends on the budget that is passed and the rate associated with it. Vote: Ayes. **PASSED FIRST READING.** Mr. Deer then moved to suspend the rules in order to consider second reading. Second by Mr. Hardin. Vote: Ayes. **RULES SUSPENDED.** At this point, Mr. Bates moved to pass Resolution No. 05-09 through second reading. Second by Ms. Reed. Vote: Ayes. **PASSED SECOND READING.**

RESOLUTION No. 05-08 – A Resolution Authorizing the Issuance of Proceeds of Bonds for the Purpose of Providing Funds to be Applied to Pay for the Construction of Road Improvements and a New Fire Station on the City's Eastside, and Incidental Expenses in Connection Therewith and On Account of the Issuance of the Bonds. Mr. Bates moved to pass Resolution No. 05-08 on second reading. Mr. Gibson seconded. Stephen Watson, attorney for the Redevelopment Commission, was present to answer questions. He had responded in writing to questions he was aware of by way of two memos. Lisa Lee of Ice Miller represented bond counsel and Rosy Oshry represented the Commission's financial advisor, O.W. Krohn & Associates. Mr. Hardin concentrated on the fire trucks and asked if there was any reason not to purchase the equipment when we do the bond issue, especially when the City might save bond counsel costs. Mr. Watson commented that approximately 73% of the funding for the TIF district comes

from the schools, although he could not speak directly for the Commission. Mr. Watson, in response to Mr. Hardin, said that it would be legal to fund the equipment, but since a new aerial truck and trucks for the new fire station would be needed at the same time, he understands from bond counsel that there would not be a savings in bond issuance costs. Mr. Armstrong said he understood this to mean that it is not appropriate to bond for the aerial truck out of the TIF district funds because it does not service only the TIF area. A second bond issue could include both fire trucks. Mr. Watson agreed that it would be a stretch to say that bonding the aerial truck met statutory requirements, as it serves areas outside the Eastside TIF district. Chief Dhondt recounted that when he presented his proposal to the Commission in 2003 he considered the fire engine for Station 94 as part of the infrastructure for TIF district fire protection. The Chief asked the Commission to amend their declaratory resolution and their TIF plan to include the fire truck. Although the Commission did not take a formal vote, the consensus was against including the fire engine, so Chief Dhondt did not bring this to the Commission's attention again. The Chief indicated that he still believes that the engine housed at Station 94 is an integral piece of fire protection for the TIF area. The aerial truck serves the entire City, however – the TIF district and the area outside. Chief Dhondt told the Council that an aerial truck is about \$890,000 and \$410,000 for an engine and those costs are about \$30,000 higher than they were 30 days ago because all four major fire truck manufacturers had a 3% increase on June 1st. Mayor Henderson wondered if it would be possible to still have one bond issue and pay that portion of the bond for the aerial truck to the Redevelopment Commission to save those soft costs. Ms. Lee stated that if the City were going to levy a tax for it, they would most likely have to take it to the Department of Local Government Finance, which is not the intention at this point, since it is a "pure TIF bond", payable solely from the tax increment revenue. This would increase the bond counsel costs. Chief Dhondt indicated that the estimated life of an aerial truck is 20+ years and the estimated life of the engine for Station 94 is 15 years. This led to a discussion of the "But / For" concept by Mr. Watson. The foundation of that thought is that without the creation of the TIF district and its economic development plan, economic development would not occur in the manner in which the City would like to see it occur. From the beginning of the Commission's creation, they have kept that thought close to heart, said Mr. Watson, and did not spend any monies or pursue a plan that was not going to spur economic development. The fire truck was not expressly included in the economic development plan presented in 1997. In response to Mr. Deer, Mr. Watson indicated that the statute pertaining to the area served by a fire engine is not all that stringent; generally the local public improvement has to be in, serving or benefiting the TIF district and does not specify that it has to serve the TIF district 100% of the time. Chief Dhondt added that all loose equipment for the new station is included in the construction cost estimate and is in the bond estimate. In response to Mr. Deer, Chief Dhondt gave preliminary projections on a bond issuance for the fire engine and an aerial replacement, which total about \$70,000 in soft costs – bond issuance costs, contingencies, and allowance for underwriter's discount. Ms. Lee noted that although adding the aerial replacement to this bond issuance wouldn't necessarily change the issuance costs that much, there are a few procedures that they would have to do. They would have to give notice of a public hearing and amend the plan as well as the bond ordinance. Other than that, she indicated we would have to increase the issuance amount and include it as a part of the project. Generally, from bond counsel's perspective she said, funding one or both fire trucks in a bond issue would mean the same documents. Ms. Oshry told the Council that when her firm figured the estimated sources and uses for the \$1 million bond, they estimated the issuance cost at \$50,000. She asked the Council to keep in mind that the Commission is paying a lot of the upfront costs through the surplus fund. Mr. Dhondt then described how the City would be able to keep a flat rate and Ms. Lee described how the time frame is affected by including the aerial and estimated 25 to 30 days delay. Chief Dhondt said that the delay of bringing the change in the resolution back before the Council could affect whether or not the new station gets started this year. Vote: Ayes. **PASSED SECOND READING.**

RESOLUTION No. 05-10 – A Resolution Encouraging the Indiana General Assembly, the Indiana Alcohol and Tobacco Commission and the Johnson County Alcohol Beverage Board to Oppose Expansion of the Sale of Alcohol to Outlets Such As Gas Stations and Convenience Stores. Mayor Henderson told the Council that other communities are passing similar resolutions. **INTRODUCED.**

Under miscellaneous business, Mr. Hardin stated that he was asked by the Barrington Homeowners' Association to reduce the speed limits in Barrington East and West and also on Yorktown Road from Smith Valley Road to Curry Road to be reduced to 25 m.p.h. and ask that a speed study be done.

Mr. Gibson indicated that he has received calls from the media to see if the City were going to institute a smoking ban. He has told them that at this time there is nothing being discussed.

Next Mr. Gibson brought up a fiber optics study group, which he understood had been turned over to the technology department. Mayor Henderson stated that the attitude of the legislature was that cities could install the fiber optics when the private sector wouldn't provide it. He said that at this point we as a City are not looking to enter the fiber optics business. Franchises are being debated in Congress, he added.

Mr. Armstrong noted that he received a letter from White River Citizens United asking the Council to put in place a temporary moratorium on rezoning and dimensional and use variances. Mr. Hardin said he thought the City of Greenwood is on track in enforcing its own regulations with regard to "smart growth" that the Council is interested in promoting in Greenwood. He added that he does not think it is necessary to put a moratorium on development; he thinks it sends the wrong signal. Mr. Deer pointed out that Greenwood representatives are not involved in the County master plan and called it an injustice. Ms. Koons-Davis indicated that the City has to be very careful if we were going to do a moratorium, because it has to be for a very limited purpose and enacted by ordinance for a temporary period of time while showing we are revamping the entire zoning code or addressing a current pressing problem. She recommended against the moratorium unless the Council had a better reason for the moratorium. Mr. Armstrong moved that the Council say by roll call vote that the Common Council is opposed to the moratorium. Second by Mr. Bless. Mr. Bates was not sure that the Council needed to respond. Mr. Hardin understood the feelings and frustration behind the letter but reiterated that he thinks the City is promoting smart growth. Mr. Deer suggested that what might be appropriate is to write a letter expressing what he feels is the general consensus of the Council after hearing this discussion, instead of taking a vote. Mr. Armstrong withdrew his motion and said he will write a letter to White River Citizens United describing this discussion. Mr. Bless withdrew his second. Mr. Deer thought we should still encourage the White River Citizens group to participate in the democratic legislative process when it affects their area.

Mr. Armstrong next described an e-mail from one of his constituents saying he was concerned about the location of the walking trail along south Main Street in front of Valle Vista. He was concerned that they were going to be taking out a lot of big trees. Mr. Gabehart commented that to his knowledge the trailway along Main Street is not going to encroach any trees at all at this point, because we are not in a position to proceed beyond East Street now. There is an existing drainage problem that needs to be resolved.

Mr. Gibson asked about the County's right to do oil and chip seal on a suburban fringe area, such as on Honey Creek, south of Demaree, and how they would ever be brought up to code if they come into the City. Mayor Henderson said that annexation would be at the request of the developer and the City would require it to bring the streets up to code. He mentioned Allen Road as an example.

In response to Mr. Deer, Mr. Gabehart said there was another coat going down on Meridian Street and Main Street. They are putting the binder down now and should be putting on the surface next week. Staff is studying the traffic issue at Main Street and Madison Avenue, he added.

Regarding the tax abatement compliance of Precision Products, counsel had invited representatives to be present to answer questions about the request that was continued from the last meeting. Concerning not meeting the projected number of employees, Michael Huff indicated they had run multiple ads for skilled machinists. While they have hired a number of new individuals, they have lost a fair amount through normal attrition. The company forestalled the purchase of new equipment but since the beginning of the year has purchased new equipment costing \$327,710, with an anticipation of spending approximately \$200,000 more before the end of the year. Prior to 2005, Mr. Huff confirmed that \$386,000 was spent on equipment. There was more discussion on filling positions for the second shift. Mr. Huff told the Council that his company had participated in several local job fairs and advertises at least once every couple of months for machinists. There is an apprenticeship program and they also work with Central Nine. Mr. Gibson described the lack of training in high schools now as there is no shop program any more. Mr. Deer pointed out that the annual salaries were estimated at \$2.9 million and they are currently at \$2.789. After more discussion, Mr. Hardin moved to find Precision Products in substantial compliance. Second by Mr. Gibson. Vote: Ayes. Motion carried.

Chief Dhondt came forward to respond to a parking complaint on Severn Court. He has looked at the location in the middle of the day and in the evening – at neither time were there many cars parked there. He will continue to look at the situation.

Mayor Henderson reminded the Council that this weekend is the Freedom Festival including a Barbeque cook-off. A recent addition, said Mr. Deer, is an award for best patriotic dress.

The Mayor gave budget packets to the Council members, saying that the Clerk's budget and the Boards' and Commissions' are not included as he does not have them. There is a comparison cover sheet. Mayor Henderson instructed department heads to base their budgets on a 3.3% cost of living increase. There will be some adjustments he will get to the Council by the next meeting. Department heads will be at the next meeting, July 6th, to begin answering questions from the Council.

With no further business, the meeting adjourned at 8:20 p.m.